

Re\$store Detroit!

Application

To Receive designation as a **Re\$store Detroit!** District



Mayor's Office of Neighborhood Commercial Revitalization
Kwame M. Kilpatrick, Mayor
April 4, 2002

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Re\$TORE DETROIT!

Application

Introduction

The Mayor's Office of Neighborhood Commercial Revitalization (ONCR) is soliciting applications for inclusion in a new initiative called Re\$toRe Detroit! Aimed at revitalizing neighborhood commercial districts in the City of Detroit. The Detroit Community Development Funder's Collaborative, a coalition of Detroit foundations, and the City of Detroit have teamed up to provide funding for this initiative. We are interested in partnering with community-based organizations to support a multi-year, neighborhood-driven, commercial revitalization effort in up to five neighborhood commercial districts. The selection process is expected to be highly competitive and organizations that aren't selected will still be eligible for some limited technical assistance and inclusion in the program in possible future selection rounds.

An unprecedented partnership between the Mayor, the City Council, and the Funder's Collaborative has developed over the last three years to create, fund, and implement this program. The ONCR is directed by Alan S. Levy, AICP, as part of Chief Development Officer Walter Watkins' portfolio. To create a series of thriving neighborhood commercial districts, the ONCR will partner with neighborhood organizations to implement a commercial revitalization program based on principals and techniques that have proven successful in Denver, Boston, and a number of other major U. S. cities.

Funding and Technical Assistance for the Selected Districts

To support the development of strong neighborhood districts the ONCR will provide a high level of funding and technical assistance to each of the designated districts and their business and property owners. Each selected organization will be eligible to receive annual funding for:

- two full-time professional commercial revitalization staff (\$125,000/year)
- marketing and promotion funding (\$3,000/year)

Over the first seven years of the program a selected organization is eligible to receive as much as \$390,000 and perhaps as much as \$640,000 to pay for staff, overhead and targeted program expenses. The organization will have to match this funding with \$350,000 over the seven years to be eligible for the full amount of the grant. For this first phase of the program (first five selected districts), the Advisory Board of the ONCR has voted to restrict eligibility to organizations and districts outside the Greater Downtown Area of Detroit.

Businesses and building owners in each district will be eligible for:

- façade improvement grants (\$20,000/yr in matching funds for each district)

- architectural and design assistance (\$50,000/yr in technical assistance for businesses in all five districts)
- technical assistance to businesses (\$75,000/yr total for businesses in all five districts)
- technical assistance and training for staff, committees and merchants (\$200,000/yr for all five districts)

Additionally, businesses and property owners in the districts will be able to apply for loans from a capital assistance fund. New and existing businesses owners, women and minority entrepreneurs and property owners will be encouraged to invest in their districts with this specifically designed loan program.

This level of funding was made possible through a five-year commitment of funding from the City of Detroit and a three-year commitment of funding from the Funders' Collaborative. Continued funding after year three to this program from the Funders' Collaborative is possible but is dependent upon the overall performance of the program and in the designated districts.

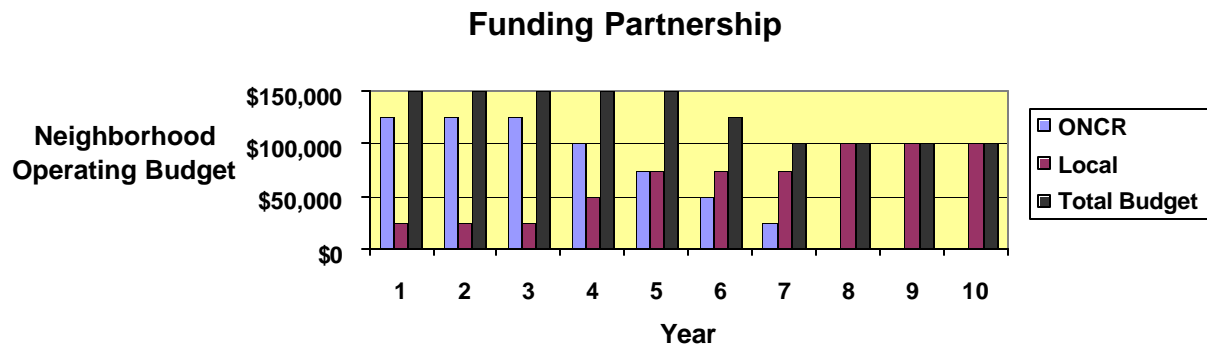
Neighborhood Organization Responsibilities

In return for this grant funding much will be expected from the selected organizations. They will need to spearhead the revitalization effort, hire and manage staff, provide an office, and manage the funds responsibly. They will have to energize local merchants, property owners and residents to create and implement a common vision. They will have to work with the community to develop action plans, track accomplishments and provide periodic reports on their results. Lastly, they will have to raise \$25,000 in matching funds and, over time, increase their funding support for the effort.

Selected organizations should view the grant monies from the ONCR as startup funds to get the local revitalization effort through a startup phase. Therefore, other funds received from the City of Detroit will not be considered eligible funds for the community organization's match. Selected organizations will have to take steps during the first three years of the program to prepare for additional funding responsibility during years four through seven and eventual self-sufficiency.

We have chosen this funding scenario because a typical neighborhood commercial revitalization effort has a startup phase, a growth phase, and a maintenance phase. The startup phase can last six to twelve months. During the startup phase, the effort gets organized, hires staff, creates goals and begins implementation. During the growth phase, visible improvements to buildings happen, the area begins to look significantly cleaner and feel safer, vacancy rates drop, and property values rise. This phase can start as early as year two and take as little as five years but often will start later and take longer. Once a neighborhood commercial district has experienced revitalization there is a need to maintain the area at its revitalized state. The maintenance phase requires less staff time. The need for financial resources (to pay for staff and to spur private investment) is greatest during the startup phase and growth phase. The grant monies are given so that the organization has the resources to get the program through the startup phase and well into the growth phase. During that time, it is important for some time and energy to be spent creating funding mechanisms to prepare for the time when ONCR funding is exhausted.

The chart below depicts the funding match between the neighborhood organization and the ONCR. In year four, designated organizations will need to raise \$50,000 in order to receive \$100,000 from the ONCR. In year five, designated organizations will need to raise \$75,000 in order to receive \$75,000 from the ONCR. In year six and grants of \$50,000 will be available with a neighborhood match of \$75,000 and in year seven a grant of \$25,000 will be available for a match of \$75,000. The ONCR will work with the selected organizations to help them craft a funding strategy which may include fundraisers, business improvement districts, festival net income, sponsorships, and grant-writing.



District Selection Process is in 2 Rounds

The selection process is patterned after a typical job interview process with an initial general application followed by an in-depth review with a number of finalists. This will afford access to the widest range of applicants to the application process while minimizing the amount of work that has to be done to apply. The ONCR Advisory Board will evaluate all applications. The Advisory Board will make the final decision on the choice of the districts.

1st Round

The first round will be a general application that asks questions about the organization's vision, capacity, and experience in undertaking a commercial revitalization or similar effort. It will also ask questions about the proposed district's current state to ascertain the need for the program and the likelihood of success. The Advisory Board will evaluate the application responses and create a short list of finalists.

2nd Round

These finalists will be asked to provide more detailed information. Specifically, each organization will be asked to create an organization manual, a building and business inventory, a more complete funding strategy and evidence of a significant commitment by stakeholders to be a part of the revitalization effort. This information will be useful in analyzing the suitability of the district for inclusion but also will be used in a number of different ways during the revitalization effort. The data also provides a starting point so that the success of the local district program can be tracked by monitoring vacancy rates, job creation, business creation and other indicators of revitalization.

After Designation

After designation, the ONCR will work with the selected organizations to refine their strategic vision and put together action plans that will outline their goals and objectives for the year. Each organization will be evaluated on an annual basis. Subsequent year's funding will be awarded based on the degree of success in reaching the previous year's goals and making real progress in revitalizing the district.

Timeline

1. Application Rollout and Workshop(s): Interested individuals will be able to attend a application workshop. The workshop (and additional sessions, if necessary) will provide an overview of the commercial district revitalization program and detailed information on the application process. Attendance at a workshop is not be mandatory. The same information will be presented in each workshop.	April 4, 2002
2. 1st Round Application Deadline: Interested neighborhood organizations will submit applications, which will be reviewed by the District Designation Task Force, a committee of the Mayor's Office of Neighborhood Commercial Revitalization Advisory Board.	April 26 th , 2002
3. 2nd Round Application Workshop: Finalists from the first round will be invited to attend a mandatory workshop to discuss the requirements for the second round.	May 3 rd , 2002
4. 2nd Round Application Deadline: Interested neighborhood organizations will submit applications, which will be reviewed by the District Designation Task Force, a committee of the Mayor's Office of Neighborhood Commercial Revitalization Advisory Board.	May 31 st , 2002
5. Site Visits and Discussion: The District Designation Task Force will conduct site visits to the districts. The Task Force will seek to reconcile statements made in the application with existing conditions. Application representatives will give guided tours of the district and answer questions from the District Designation Task Force.	June 3 rd to June 14 th , 2002
6. Selection of Districts: The District Designation Task Force will present recommendations to the Advisory Board for their final discussion.	June 14 th to June 27 th , 2002
7. Announcement of Selected Districts: Up to five neighborhoods will be selected and announced.	June 28 th , 2002

First Round Application Information

Introduction

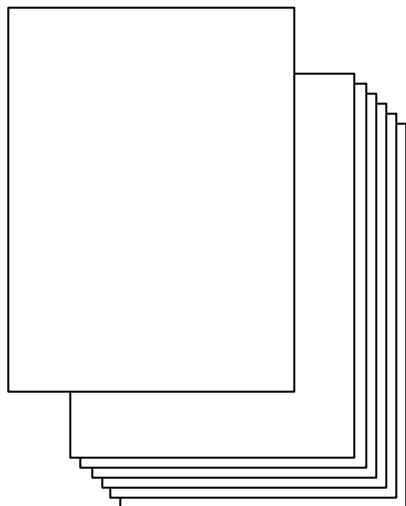
Applications may be submitted on behalf of any City of Detroit neighborhood commercial district. A representative of a neighborhood organization may initiate the application process, but the application should represent a collective effort by as broad a range of neighborhood constituencies as possible. The ONCR will provide a funding grant to a nonprofit entity only. There does not need to be a nonprofit *commercial* district revitalization organization already in place in order for their organization to submit an application to participate in the ONCR program. Neighborhood organizations that are selected to participate will receive guidance on how to adapt an existing community development organization to administer the program, depending on each neighborhood's particular needs.

First Round Submittal Requirements

Ten (10) copies of a response to this APPLICATION must be submitted no later than **4:00 PM EST, Friday, April 26th, 2002** to Alan S. Levy, AICP, Director, Mayor's Office of Neighborhood Commercial Revitalization, City of Detroit, Coleman A. Young Municipal Center, 2 Woodward Avenue, Suite 1126, Detroit, MI, 48226. Late applications will not be accepted. Submissions will be reviewed according to the criteria listed below.

Questions about this APPLICATION should be submitted in writing either to the address above or at the City of Detroit's website for the ONCR: www.ci.detroit.mi.us/mayor/oncr. All questions will be answered on the website and in writing to the submitting individual. For general assistance or language translation, please contact Alan Levy at (313) 224-2078.

Round 1 Application should contain:



Submittal Cover Letter (10 copies):

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Application (10 copies)

1. Answers to the questions presented below.
2. Copies of support letters from merchants associations, neighborhood organizations, school organization, safety organization, churches, individual merchants, property owners, residents, elected officials and others.

First Round Selection Criteria and Points

Criteria	Points
Organizational Capacity: What is the organization's capacity to receive, manage and effectively use the technical and financial assistance offered? Does the organization have experience in carrying out project activities? Does the organization exhibit the ability to move towards a long-term goal and achieve results within a set timeframe? Does the organization utilize volunteers well? Does the proposed organizational structure accommodate the proposed programs?	25
Common and Realistic Vision: What is the group's vision for the district? Is this vision widely shared by all stakeholders? What are the group's expectations of what can be accomplished in the first three years?	10
Cohesive and Manageable District: Does the geographic area that is to be served by the effort contain sufficient building stock and small businesses to be a viable district? Would merchants and property owners at one end of the district feel that change on the other end of the district affects them too? Is the area large enough to sustain a commercial revitalization effort yet small enough that limited resources can make a significant impact? What has the organization accomplished in this area in the past?	15
District Need: Does the proposed district need this program or is the private sector already reinvesting in the area? Does the organization have other sources of funding to support this kind of effort or is ONCR funding the only way to start the effort?	10
Funding and Fundraising Capacity: How much funding can the organization provide for this effort? Will that funding be from public or private sources? What is the organization's past success at fundraising? Is the submitted budget complete and error free?	15
Broad Base of Support: Is there a broad base of understanding and support by a range of stakeholders of the proposed district including business owners, property owners, residents and neighborhood organizations?	25
Total	100

First Round Application—Re\$tores Detroit!

The following information is in Word and WordPerfect files each named "Application" on the attached disk. It may also be downloaded from the website at www.ci.detroit.mi.us/mayor/oncr. Applicants may use these files to type their answers. Handwritten answers are also acceptable and applicants are encouraged to use the back of the pages or extra pages to fully answer the questions.

1. Name of proposed district:

—

2. Contact information for the person(s) leading the preparation of this application.

- Name _____
- Organization: _____
- Title: _____
- Mailing Address1: _____
- Mailing Address2: _____
- Telephone: _____
- Fax: _____
- Email: _____

3. What year did the organization incorporate? (Must be greater than one year to be considered.) _____

4. Please attach copy of nonprofit tax status certification from the Internal Revenue Service.

5. Describe the organization's past success and current activities that meet the mission of the organization.

6. Please describe the current level of involvement by volunteers in your organization's activities.

7. Indicate committee members and affiliate organizations or other individuals *active* in preparing this application.

8. Describe how past and current efforts will impact commercial revitalization efforts.

9. How would the program be organized? (We suggest that your proposed structure encompass the guiding principles outlined in the appendix of this application.)

10. Where would the program be physically housed?

11. Provide an 8 1/2 x 11 street map highlighting the targeted business district and a description of why the boundaries were chosen. (The district must be an identifiable, cohesive commercial district large enough to create an impact but small enough to be of a manageable size. Side streets with similar building mass as the main street can be included.)

12. List the district's economic assets and liabilities.

13. Summarize the following economic statistics:

- ⇒ number of buildings _____
- ⇒ number of 1st floor retail and service businesses _____
- ⇒ number of vacant lots _____
- ⇒ number of abandoned buildings _____
- ⇒ number of vacant 1st floor storefronts _____
- ⇒ Percentage of total available storefronts _____

14. What is the organization's vision for revitalizing the commercial district (please limit to one page of text).

15. How are your proposed district boundaries and your revitalization vision consistent with the Community Reinvestment Strategy (CRS) and the City's Master Plan of Policies?

16. Please attach a proposed budget.

17. Please provide evidence of the yearly \$25,000 local match or describe the plan for acquiring it. Although these matching funds do not need to be secured in order to complete and submit a first round application, commercial district leaders and constituents must raise the first year's matching funds within six months of designation. Up to 40% (\$10,000) of the match may be in-kind donations.

18. Show evidence of a broad base of community support. Applicant should provide signed letters from a broad range of neighborhood stakeholders.

The City of Detroit has authorized the issuance of this application. The City of Detroit reserves the right to reject all applications or to negotiate with any sources, whatsoever, in any responsible manner necessary to serve the best interests of the City of Detroit.

Second Round Application Information

Notice: The Second Round Application information presented below is for informational purposes only. Only those organizations that are selected from the first round will need to submit a second round application.

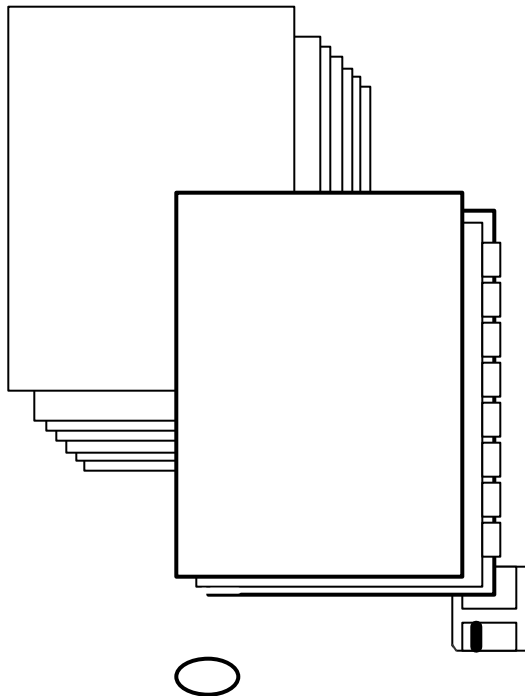
Introduction

After the ONCR Advisory Board creates a short list of final candidates, the ONCR Advisory Board will notify the candidates that they should begin to fill out the second round application. The second round application explores the depth of the organization's and the other stakeholders' commitment to the revitalization effort by asking for a significant investment in data gathering. Additionally, it explores the willingness of the stakeholders to make concrete financial commitments to the organization and to the district.

Submittal Requirements – Round 2

Fifteen (15) copies of a response to this application must be submitted no later than 4:00 PM EST, Friday, May 31st, 2002 to Alan S. Levy, AICP, Director, Mayor's Office of Neighborhood Commercial Revitalization, City of Detroit, Coleman A. Young Municipal Center, 2 Woodward Avenue, Suite 1126, Detroit, MI, 48226. Late applications will not be accepted. Submissions will be reviewed according to the criteria listed below. Site visit interviews will be scheduled for the weeks between June 3rd and 14th, 2002. Announcement of Selected Districts will be made on June 28th, 2002.

Round 2 Application should contain:



Cover letter w / copies of commitment letters

15 Volunteer Manuals (3 will be kept by the ONCR)

Disk(s)

1. Electronic version of the answers to the application questions
2. Building and business inventory

All submitted information will become property of ONCR and will not be returned with the exception of twelve volunteer manuals.

The City of Detroit has authorized the issuance of this application. The City of Detroit reserves the right to reject all applications or to negotiate with any sources, whatsoever, in any responsible manner necessary to serve the best interests of the City of Detroit.

Second Round Selection Criteria and Points

Criteria	Points
Organizational Capacity: Did the organization create an organization manual that provides the Advisory Board and neighborhood volunteers with a comprehensive yet concise picture of the proposed district?	25
Base Data Collection: Is the information gathered complete?	25
Long-term Funding Strategy: Is the proposed funding strategy feasible for supporting a long-term, self-sustaining revitalization effort?	10
COMMUNITY COMMITMENT: IS THERE A SIGNIFICANT AMOUNT OF COMMUNITY INVOLVEMENT PROMISED? DO THE PEOPLE MAKING A COMMITMENT REPRESENT A WIDE RANGE OF COMMUNITY INTERESTS? ARE ALL MAJOR STAKEHOLDER GROUPS REPRESENTED?	20
PRIVATE SECTOR COMMITMENT: IS THERE A SIGNIFICANT AMOUNT OF PROPERTY OWNER AND BUSINESS OWNER INVESTMENT PROMISED? DO THE PEOPLE MAKING A COMMITMENT REPRESENT A WIDE RANGE OF THE BUSINESS AND PROPERTY OWNER INTERESTS?	20
Total	100

District scores will be calculated by averaging the scores of the reviewers for each category. If the total scores of two districts are tied then the district that is farther away from the districts with higher point scores will take precedence over the district that is closer to the districts with higher point scores.

Second Round Application—Re\$tores Detroit!

The second round application asks the organization to put together a set of signed commitments from the district's stakeholders, a building and business inventory, a more extensive funding strategy, and a volunteer manual.

Commitment

Please provide a set of letters from stakeholders in which they indicate what they would be willing to do to revitalize the district. Effective letters will contain commitments to support the organization through financial or in-kind assistance, invest in property, take advantage of the façade renovation program or the capital assistance program, or volunteer time on a committee. It is likely that staff or volunteers will be able to have a conversation about this with business and property owners when they are gathering information needed for the building and business database.

Building and Business Database

Much of the information requested is based on an extensive gathering of data about the district. A spreadsheet outlining the information that needs to be collected is on the computer disk handed out at the program kickoff and provides an easy way to arrange the information. Please call (313) 224-2078 if you do not have the disk and we will send the information to you.

Funding Strategy

An important aspect of an organization's capacity is its ability to develop and implement a strategy for the long-term funding needs of the commercial revitalization effort. Please describe the long-term funding strategy for keeping the program going after the ONCR funding is gone.

Volunteer Manual

Much of the information needed by the Advisory Board to evaluate the organization and the district is also valuable to bring core volunteers and new staff up-to-speed quickly so that they can be more effective more quickly. A volunteer manual meets both needs. It is advisable to use a three-ring binder system so that new information can be easily inserted to keep the manual up-to-date. The structure of the manual is up to the local district but the manual should address the following topics in the following areas:

Organization

- 1) Organization's mission statement and history including year started.
- 2) Summary of current activities and programs.
- 3) Names, addresses, phone numbers and affiliations (resident, property owner, etc.) of the Board of Directors.
- 4) List committees and give the times when the Board and the committees meet.
- 5) Names, title, brief (1 paragraph) job descriptions, and brief (1 paragraph) bios of all professional employees.
- 6) Bulleted summary of past project and program success.

- 7) Brief description of current projects and programs.
- 8) List of other nonprofits working in the area with a brief description of their organizations and major projects.
- 9) Current and preceding year's financial statements.
- 10) Funding Strategy.

District

- 1) Total population and demographics.
- 2) Crime rates for 1980, 1990, 1995, and 2000 for the zone that best describes the commercial district.
- 3) An 8 1/2 x 11 street map highlighting the targeted business district.
- 4) An 8 1/2 x 11 map outlining the adjacent neighborhoods.
- 5) History of the commercial district and the adjacent neighborhoods.
- 6) Document how the plans for the district are compatible with City planning documents such as the City Master Plan, CRS Report for the applicable cluster (s).
- 7) Does any portion of the proposed district fall within a currently designated (or proposed) Michigan State Housing Development Authority (MSHDA) Neighborhood Preservation Program (NPP) target area?
- 8) Are there any MSHDA developments in the proposed district? (If so, please name).
- 9) Description of the major architectural styles of the buildings. Pictures of the major buildings are encouraged.
- 10) Description of the transportation network servicing the district including mass transit.
- 11) Description of the parking situation in the district.
- 12) Description of the infrastructure of the commercial street(s) including streetscape, trees, road condition, and condition of electrical, water, sewer, and stormwater utilities.

Commercial Revitalization Efforts

- 1) Describe efforts to clean up the district.
- 2) Describe efforts to reduce crime.
- 3) Describe any marketing or promotional events that encompassed the commercial area.
- 4) Describe any programs or projects.
- 5) Describe any other programs or projects that the organization has undertaken to benefit specifically the commercial area.
- 6) Describe any programs or projects others have done or are doing to revitalize the commercial area.

Building and Business Summary

- 1) List of the district's economic assets and liabilities.
- 2) Summary of economic statistics:
 - a) number of buildings
 - b) number of 1st floor retail and service businesses
 - c) number of vacant lots
 - d) number of abandoned buildings
 - e) number of vacant 1st floor storefronts (and percentage of total available storefronts)

- f) What is the approximate highest monthly rent per square foot currently being paid for commercial space in the Main Street program area?
 \$_____ First floor \$_____ Upper floor
- g) What is the approximate lowest monthly rent per square foot currently being paid for commercial space in the Main Street program area?
 \$_____ First floor \$_____ Upper floor
- 3) Indicate the total number of businesses in the proposed district devoted to the following uses (include all floors):
- | | |
|---------------------------------------|--|
| _____ Supermarkets | _____ Accounting/tax office |
| _____ Bakeries | _____ Other professional offices |
| _____ Restaurants | _____ Social/human services (non-profit) |
| _____ Bars/lounges | _____ Other non-profit organizations |
| _____ Furniture/appliances | _____ Social/human services |
| _____ Hardware | _____ Other government offices |
| _____ Automotive service stations | _____ Hotels/motels |
| _____ Auto/dealerships | _____ Wholesale |
| _____ Laundry/cleaners | _____ Industry |
| _____ Pharmacies | _____ Finance |
| _____ Other retail businesses | _____ Theaters |
| _____ Hair styling barber (men/women) | _____ Religion |
| _____ Medical offices | _____ Education |
| _____ Law offices | _____ Vacancy (first floor) |
| _____ Law enforcement | _____ Vacancy (upper floor) |
| _____ Other: _____ | _____ Other: _____ |
- 4) What are the commercial district's strongest businesses?
- 5) What is the commercial district's most significant competition?
- 6) Estimate the percentage of commercial buildings in the proposed program area owned by
- _____ neighborhood business owners
 - _____ other neighborhood residents
 - _____ other City residents
 - _____ out-of-town residents
- 7) Which financial institutions (if any) are located in the proposed program area?
- 8) What are the largest employers in the neighborhood?
- 9) Estimate the percentage of the district's customers that come from:
- _____ the adjacent neighborhood
 - _____ other Detroit neighborhoods
 - _____ from other communities in metropolitan Detroit
- 10) Are there any special groups of customers who patronize businesses in the commercial district? If so, who are they?
- 11) What private sector investment has there been in the commercial district?

Appendix: Background Information

History of the Mayor's Office of Neighborhood Commercial Revitalization (ONCR)

Detroit's neighborhoods are tremendously under-served by the retail and service sectors. According to the 1990 U.S. Census, Detroit ranked last in retail activity among the nation's largest metropolitan areas, with only 7.4% of every retail dollar spent in the metropolitan area within the City of Detroit.

To remedy the problem this creates in loss of jobs and impact on the City's tax base through foregone income, sales and property tax revenues, the Detroit City Council, at the initiative of then Council President Gil Hill, established a Commercial Strip Revitalization Task Force in February 1999 to develop a structured and comprehensive program to rebuild and revitalize neighborhood commercial strips. This public initiative was complemented by a simultaneous effort of the Neighborhood Commercial Network, a subsidiary of a local coalition called Community Development Advocates of Detroit, to work with local and national consultants to establish a citywide commercial revitalization program.

Both groups completed their final reports in February 2000. The recommendations of both groups drew from their interface with the other, the diverse input from community organizations, technical assistance providers, the financing community, City staff and small business representatives, personal visits to successful programs operating in the cities of Denver and Boston, and the commitment of the participants to implementing a program in the City of Detroit.

In line with the recommendations, then Mayor Dennis Archer committed to establishing an Office of Neighborhood Commercial Revitalization (ONCR) that would coordinate the program and provide training and technical assistance to businesses and community organizations, façade improvements, and design services to businesses and the targeted commercial districts. The Funders' Collaborative, a subsidiary of the Local Initiatives Support Corporation (LISC), agreed to provide three years of financial support to the local districts to market and promote the program services and work with local businesses.

A Memorandum of Understanding between the Mayor, City Council and Local Initiatives Support Corporation/Funders' Collaborative was approved by City Council on November 22, 2000 setting forth the intent of the three parties to implement the program. Annual funding is projected at \$890,000 in Community Development Block Grant funding, \$625,000 from the Funders' Collaborative, and \$80,000 in private sector support. In addition, there will be a capital assistance fund to provide loans to businesses located in the selected districts.

ONCR Programs

The ONCR is creating a system of new support services and strategies to targeted commercial strips. These support services and strategies will incorporate technical assistance and training, grants, and loans to address local business development and the necessity of building local organizational capacity to create an environment that can sustain local businesses.

Over a period of several years, this program will create numerous opportunities for new or expanded, small and minority-owned businesses and will improve the “look” and density of commercial strips around the city, providing residents with increased shopping opportunities and complementing growing residential development. The ONCR will accomplish this by implementing four programs.

Re\$tores Detroit!

The main job of the Mayor’s Office of Neighborhood Commercial Revitalization is to work with local businesses and residents to improve neighborhood commercial districts. In the beginning, up to five districts will be chosen, based on proposals from the community.

The districts whose proposals are chosen will receive grants and technical assistance. The grant money will be used by the local non-profit to hire two full-time commercial revitalization professionals. Working with local merchants and residents, these professionals will:

- Assist the community in developing a common vision and strategy;
- Help to make the commercial district clean and safe;
- Promote the district and its businesses among potential customers with festival, retail events and marketing;
- Improve the appearance of the district’s buildings, businesses and signs using the façade grant program and design standards;
- Assist the businesses by providing information on the capital assistance program (described below, bringing in targeted technical assistance and recruiting new businesses; and ,
- Work to create and execute redevelopment opportunities.

ReCap

The **C**apital **A**ssistance **P**rogram will provide financial support for new or existing small businesses that are currently located in or wanting to locate in an ONCR designated district. Some of these businesses may have trouble meeting collateral or credit rating requirements of lenders. Others may need assistance with payment terms due to short-term cash flow concerns. Some businesses may not qualify for conventional financing for these reasons. This fund will make loans available to these business owners. The details of this program will be developed together with the firm chosen to operate the fund.

ReFresh

The **F**açade **R**enovation and **E**xterior **S**tructure **H**abilitation program is designed to improve the appearance of commercial districts by stimulating private investment, providing architectural design assistance and matching grants. Business and property owners in the designated districts will be eligible.

ReNew

The **N**eighborhood **E**ducation and **W**ealth program seeks to improve the knowledge and skills of the business owners, the volunteers and the staff working to make positive changes in each designated district. To accomplish this, the ONCR will

conduct an ongoing technical assistance and training program, which will begin in Summer of 2002.

ONCR Philosophy

Implementation of these programs is based on an underlying model for successful commercial district revitalization. The ONCR focuses its efforts on providing neighborhood residents, local merchants and commercial property owners with tools and information necessary for their traditional commercial center to compete in today's marketplace. The program helps neighborhood local, community-based organizations capitalize on their unique historical, cultural, and architectural assets while also addressing the many economic development needs around small business retention and recruitment in light of strong competition from shopping malls and discount retailers.

The ONCR's approach to commercial revitalization is based on similar successful programs in Boston, Denver and other major U. S. cities. The City of Boston's program, which is based on the nationally acclaimed Main Street Four Point Approach[®] and the City of Denver program, which emphasizes the small business assistance, are the primary sources for the Urban Five Point Approach model. The ONCR has added a fifth point, Clean and Safe, to the Main Street model. It adds a loan fund to the mix of available resources in order to emphasize the importance of direct assistance to small business.

ONCR Advisory Board

An additional major innovation was to reinforce the public/private/nonprofit partnership between City of Detroit, the Funders' Collaborative and Detroit's private sector by placing these stakeholders on an Advisory Board to help guide the program's successful implementation. The Advisory Board consists of three appointees from the Mayor, three appointees by the City Council, two appointees of the Funders' Collaborative, and one appointee each from the Detroit Renaissance, the Community Development Advocates of Detroit and the Booker T. Washington Business Association. Barbara Washington Bass of CDAD has been elected Chair of the Advisory Board and William Ross of the Booker T. Washington Business Association has been elected Vice-chair of the Advisory Board.

Local District Partnership

Neighborhood commercial district leaders must be willing to create a commercial revitalization program within an existing organization and help fund full-time staff responsible solely for the commercial district revitalization. It is up to the local organization to decide exactly how it will organize its effort. Many neighborhood organizations modify their existing structure (merchants association, community nonprofit, church-based entity, etc.) to become such an organization by adding a local advisory board with full representation from merchants, residents, property owners and institutions. They address the wide range of issues by developing volunteer committees that are supported by full-time, trained, professional staff. There are many ways that the effort can be organized. What is critical is that the effort is comprehensive and that the merchants, property owners and residents of the commercial district are properly represented.

Business owners, property owners, neighborhood residents, members of community organizations and other neighborhood constituents must be willing to commit substantial volunteer time and energy on a long-term basis to the program. The commercial district managers—the professional staff people coordinating revitalization programs in a particular neighborhood district—ultimately serve as coordinators of volunteer revitalization efforts. It is the partnership between volunteers and staff that creates lasting change.

Neighborhood volunteers and program staff will be required to participate in ONCR training programs, workshops and other activities. The local advisory board and committee members should expect to invest a minimum of eight to ten hours per month. A successful commercial district revitalization program requires dedication and hours of hard work.

Commercial District Revitalization: Guiding Principles

These guiding principles have been adapted from the National Trust's National Main Street Center's Eight Principles.

Comprehensive

A single project cannot revitalize a neighborhood business district. Initiatives addressing each of the main issues affecting a district is vital to build momentum and community support.

Incremental

Small projects make a big difference. They demonstrate that "things are happening" and hone the skills and confidence the program will need to tackle more complex problems.

Self-Help

Only local leadership can initiate long-term success by fostering and demonstrating community involvement and commitment to the revitalization effort.

Public/private/nonprofit partnership

Every local program needs the support and expertise of the public, private and nonprofit sectors. Each of these sectors brings certain strengths and weaknesses to the partnership. Effective partnerships happen when each sector contributes its strengths and isn't asked to be effective in its areas of weakness.

Asset Capitalization

Each neighborhood business district has unique, existing assets that provide a solid foundation and a competitive edge in the market.

Quality

From storefront design to promotional campaigns to special events, quality must be the main goal if change is to be perceived positively and create momentum.

Change

Changing community attitudes and habits is essential to bring about a commercial district renaissance. A comprehensive, community-driven revitalization program will help shift public perceptions and practices to support and sustain the revitalization process.

Action-oriented

Frequent, visible changes in the look and activities of the neighborhood business district will reinforce the perception of positive change. Plans are necessary as a vehicle for combining community desires with professional expertise but the focus of the program must remain on actions which change the built and social environment.